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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92049926
Party	Defendant Cloudstreet, Inc. dba Roxbury Entertainment
Correspondence Address	PAUL D SUPNIK 9401 WILSHIRE BLVD , SUITE 1250 BEVERLY HILLS, CA 90212 UNITED STATES paul@supnik.com
Submission	Opposition/Response to Motion
Filer's Name	PAUL D. SUPNIK
Filer's e-mail	paul@supnik.com
Signature	/paul d. supnik/
Date	05/26/2011
Attachments	OPP_Mtn_to_Compel (2).pdf (24 pages)(131674 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

PENTHOUSE DIGITAL MEDIA PRODUCTIONS, INC., Petitioner, v. CLOUDSTREET, INC. DBA ROXBURY ENTERTAINMENT, Registrant.	Cancellation No. 92049926 Registration Nos. 3189543; 3194255; 3291736 Mark: ROUTE 66 Issued: December 26, 2006; January 2, 2007; September 11, 2007

REGISTRANT'S OPPOSITION TO PETITIONER'S MOTION TO COMPEL; DECLARATION OF KIRK M. HALLAM AND EXHIBITS IN SUPPORT THEREOF

Registrant, Cloudstreet, Inc. d/b/a Roxbury Entertainment ("Registrant"), by its attorneys, hereby opposes Petitioner's Motion to Compel the retaking of the deposition of Registrant's counsel Kirk Hallam either individually and/or as the person most knowledgeable pursuant to F.R.C.P. 30(b)(6).

ARGUMENT

Petitioner Penthouse Digital Media Productions ("Penthouse" or "Petitioner") is seeking to compel opposing counsel Kirk Hallam ("Hallam" or "Registrant's counsel") to be re-deposed for an additional two days of unlimited deposition testimony, in contravention of TTMP §404.06 (d), and also in repudiation of the parties' clear stipulation that no further discovery be taken in these proceedings. TTMP §404.06(d) provides in pertinent part: "When a

person has already been deposed in the case, a party must seek leave from the Board to take a second deposition if the parties have not stipulated thereto."

There can be no dispute here that Registrant's counsel was deposed by Petitioner for two days and more than 15 hours during the discovery period in the District Court proceedings in this case (both individually and as 30(b)(6) designee), and that a very substantial portion of that questioning pertained to Petitioner's claims for cancellation of Roxbury's registrations for "Route 66." Moreover, there can be no dispute that TTMP §404.06(d) precludes Petitioner from re-taking Hallam's deposition, either individually or as the necessary 30(b)(6) designee for Registrant, without stipulation of counsel, or barring that, without first seeking leave of the TTAB. Having sought neither a stipulation of counsel nor leave of the TTAB before unilaterally noticing its repeat depositions of opposing counsel, Petitioner's deposition notices were procedurally and substantively defective and its Motion must be denied.

In addition to Petitioner's overt failure to comply with TTMP §404.06(d) prior to renoticing the deposition of Registrant's counsel for an additional two days of testimony, Petitioner's counsel previously stipulated with Registrant's counsel that ***no*** further discovery would be taken in this case; the parties would be limited to the extensive discovery taken in the District Court proceedings. When this matter was referred back by the District Court to the TTAB for resolution of Petitioner's cancellation claims, the parties reached an agreement as a condition of that referral that ***no further discovery would be allowed*** in this case, and instead the parties would be limited to the discovery previously

taken during the District Court proceedings. Petitioner explicitly confirmed the parties “no further discovery” agreement in a pleading filed with the TTAB on April 30, 2010, filed by Petitioner's counsel, the law firm of Katten, Muchin, and signed by one of its numerous lawyers on this case. *See paragraph 4 of* Petitioner's Request to Reopen Proceedings filed on April 30: "From the [parties'] filings [with the District Court] it appears that Petitioner and Registrant agree that: …the discovery period should be closed in this Cancellation Proceeding."

Notwithstanding the parties' stipulation that no further discovery be taken in these cancellation proceedings, as well as the clear dictates of TTMP §404.06(d) that ***no*** depositions be ***re***taken without first obtaining either a stipulation from the opposing party or leave of the TTAB, Petitioner's counsel in March of 2011 re-noticed Hallam's deposition, individually and as the prior and only qualifying 30(b)(6) designee for Registrant, for an additional two days of deposition testimony. And contrary to Petitioner's suggestion in its Motion to Compel, Registrant through its counsel repeatedly and unequivocally objected to the reopening of discovery in this case or the retaking of Hallam's deposition individually or as Registrant's only qualified designee for that 30(b)(6) deposition. *See, e.g.* Exhibits 1, 2, and 3 hereto, email letters from Hallam to Petitioner's counsel, dated April 18, May 6 and May 18, 2011, objecting to the reopening of discovery in violation of the parties' prior agreement, and asserting the provisions of TTMP §404.06(d) as an additional basis for objecting to Petitioner's retaking of

Hallam's deposition and its 30(b)(6) deposition. *See* Declaration of Kirk Hallam ("Hallam Decl.") ¶¶2-5 filed herewith.

Further, at a Conference of Counsel conducted by telephone on May 11, 2011, and requested by Registrant's counsel to discuss with Petitioner's counsel ways to resolve the parties' disputes regarding Petitioner's belated demand to reopen discovery and retake Hallam's deposition, Hallam repeatedly asserted the parties' "no further discovery" agreement, and Registrant's objection to the reopening of discovery or the retaking of any depositions previously taken in this case. (Hallam Decl.") ¶6.)

In an effort to resolve this discovery dispute without the need for TTAB intervention, Hallam offered during this Conference of Counsel to allow limited additional deposition questioning, limited in duration (4 hours) and in subject matter (i.e. only with respect to those allegations in Petitioner's Amended Petition ***not*** at issue in the Original Petition on file during the District Court proceedings). (Hallam Decl. ¶7.) These limitations offered by Registrant's counsel as a compromise solution were, in fact, limitations which expressly had been suggested by the senior litigation counsel for Petitioner, Mr. Floyd Mandell, in an email to Mr. Hallam in March of 2011: "…the "writing" you refer to involved the initial petition, not the amended petition, which you tried and failed to dismiss. We have no interest in and will not serve duplicative discovery requests…"

Reminded of her co-counsel's previous suggestion for limiting any additional discovery to matters added in Petitioner's Amended Petition, Mr. Mandell's co-counsel, Kristin Holland, agreed with Hallam during the May

11th meeting of counsel to limit her re-questioning of Mr. Hallam both as to duration of the deposition and subject matter, but then reneged on that agreement (just as Petitioner's counsel previously reneged on its "no further discovery" stipulation which is explicitly set forth in its Request to Reopen the Proceedings filed in April of 2010. (*See* Hallam Decl. ¶8). In fact, as demonstrated above, the record here is replete with broken promises from Petitioner and its counsel, promises not to retake any discovery, and promises not to exceed time and subject matter limitations for the proposed retaking of Mr. Hallam's deposition. These broken promises and unexplained "flipflops," in combination with Petitioner's utter failure to comply with the prohibitions against retaking or renoticing depositions previously taken in the case, suggest only one reasonable conclusion here: Petitioner's Motion to Compel should be denied.

Should the Board nonetheless allow the reopening of discovery and the retaking of Hallam's deposition, Registrant would respectfully request that the additional discovery be expressly limited to the retaking of Mr. Hallam's deposition only, and ***only*** for a maximum of 4 hours and ***only with respect to the allegations added to the Amended Petition***, as previously suggested by Petitioner's chief counsel of record, Mr. Floyd Mandell.

In addition, the Board, should it allow any further discovery in these proceedings, must compel Petitioner immediately to identify, and then promptly make available for deposition, its witness or witnesses who will testify in response to Registrant's Notice of Taking 30(b)(6) deposition, previously noticed by Registrant's counsel for May 20, 2011 (but for which Petitioner and its counsel

failed and refused to appear). Petitioner and its counsel simply cannot be allowed to prevent Registrant from taking its first and only 30(b)(6) deposition in this case, while Petitioner seeks to ***retake*** its 30(b)(6) deposition of Registrant.

Respectfully submitted,

_____/s/_____
Kirk M. Hallam
201 Wilshire Boulevard, 2nd Floor
Santa Monica, CA 90401
Telephone: (310) 393-4006
Facsimile: (310) 393-4662

Dated: May 25, 2011

DECLARATION OF KIRK M. HALLAM

1. I am an attorney licensed to practice before all the courts in the State of California, and am counsel of record for Registrant Roxbury Entertainment. I have personal knowledge of the following facts. If called to testify under oath, I could and would competently testify to those facts of my own personal knowledge.

2. As counsel for Registrant, I repeatedly have objected to the reopening of discovery in this case or the retaking of my deposition individually or as Registrant's only qualified designee for Petitioner's 30(b)(6) deposition.

3. Attached hereto as Exhibit 1 is a true and correct copy of an email dated April 18, 2011 from me to Petitioner's counsel objecting to the reopening of discovery in abrogation of our "no further discovery" agreement.

4. Attached hereto as Exhibit 2 is a true and correct copy of an email dated May 6, 2011 from me to Petitioner's counsel objecting to the reopening of discovery in this proceeding.

5. Attached hereto as Exhibit 3 is a true and correct copy of an email dated May 18, 2011 from me to Petitioner's counsel objecting to the reopening of discovery in this proceeding.

6. At a Conference of Counsel conducted by telephone on May 11, 2011, I repeatedly asserted the parties' "no further discovery" agreement, and Registrant's objection to the reopening of discovery or the retaking of any depositions previously taken in this case.

7. In an effort to resolve the discovery dispute without the need for TTAB intervention, I offered during this Conference of Counsel, while reasserting our objection to reopening discovery generally, to allow limited additional deposition questioning of myself, limited in duration (4 hours) and in subject matter (*i.e.* only with respect to those allegations in Petitioner's Amended Petition not at issue in the Original Petition on file in the District Court proceeding). These limitations offered by me as a compromise were, in fact, limitations which previously had been suggested by the senior litigation counsel for Petitioner, Mr. Floyd Mandell, in an email to me in March of 2011.

8. I reminded Kristin Holland of her co-counsel's previous suggestion for limiting any additional discovery to matters added in Petitioner's Amended Petition, and she agreed with me during the May 11th meeting of counsel to limit her re-questioning of me both as to duration of the deposition and subject matter, but then reneged on that agreement, just as she and her co-counsel previously reneged on Petitioner's "no further discovery" stipulation which is explicitly set forth in Petitioner's Request to Reopen the Proceedings filed in April of 2010. The record here is replete with broken promises from Petitioner and its counsel, promises not to retake any discovery, and promises not to exceed time and subject matter limitations for the proposed retaking of my deposition.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed this 25th day of May, 2011, at Santa Monica, California.

/s/
Kirk M. Hallam

CERTIFICATE OF SERVICE

I certify that a true and accurate copy of the foregoing **REGISTRANT'S OPPOSITION TO PETITIONER'S MOTION TO COMPEL; DECLARATION OF KIRK M. HALLAM IN SUPPORT THEREOF** was served by email and first class mail, postage prepaid, on this 25TH day of May 2011, upon counsel for Petitioner:

Floyd A. Mandell, Esq.
Cathay Y. N. Smith, Esq.
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, IL 60661-3693

Kristin L. Holland
Katten Muchin Rosenman LLP
2029 Century Park East, Suite 2600
Los Angeles, California 90067

/s/
PAUL D. SUPNIK

EXHIBIT 1

Subj: **Re: Paul Supnik Deposition**
Date: 4/18/2011 11:28:08 A.M. Pacific Daylight Time
From: kmhallam@aol.com
To: kristin.holland@kattenlaw.com, paul@supnik.com
CC: floyd.mandell@kattenlaw.com, cathay.smith@kattenlaw.com
BCC: Sjeichhorn@aol.com
Kristin,

As you are aware, I am representing Mr. Supnik with respect to your subpoena and his deposition, and therefore I would appreciate if you would refrain from communicating with him directly.

We will be at your ofices tomorrow for his deposition as I had previously confirmed in an email two weeks ago. I will review documents withheld which relate to Mr. Supnik's testimony, if any, and produce any which I believe are responsive and nonprivileged tomorrow. This is without waiver of our stipulation that no further discovery would be taken in this proceeding and our position that based on our stipulation you may not proceed to retake any depositions previously taken in the District Court proceeding.

Please don't expect any further response to any further emails today, since I will not be responding to any emails while I am preparing for this deposition and any document production for tomorrow

Regards
Kirk Hallam
.

-----Original Message-----
From: Holland, Kristin L. <kristin.holland@kattenlaw.com>
To: Paul Supnik <paul@supnik.com>
Cc: kirk hallam <kmhallam@aol.com>; Mandell, Floyd A. <floyd.mandell@kattenlaw.com>; Smith, Cathay Y. N. <cathay.smith@kattenlaw.com>
Sent: Mon, Apr 18, 2011 9:41 am
Subject: RE: Paul Supnik Deposition

Paul,

I note that we have not received any documents in response to the subpoena. Reserving all rights, if you plan to produce documents, we request that you serve them by email today so that they can be copied and prepared for the deposition tomorrow. These documents should include any which were previously withheld in the Roxbury v. Penthouse litigation (referenced on the attached privilege log), to the extent that they are responsive to categories identified in the subpoena.

We note that in the Roxbury v. Penthouse case, both you and Mr. Hallam contended that you did not plan to shield communications or documents from discovery, and that they would have been produced had you received a direct subpoena or request to do so. We assume that your position remains the same and that we will be receiving the documents as soon as possible.

Thank you,

Kristin

KRISTIN L. HOLLAND
Partner
Katten Muchin Rosenman LLP
2029 Century Park East, Suite 2600 / Los Angeles, CA 90067-3012
p / (310) 788-4647 f / (310) 712-8424
kristin.holland@kattenlaw.com / www.kattenlaw.com

From: Paul Supnik [mailto:paul@supnik.com]
Sent: Monday, April 18, 2011 8:58 AM
To: Holland, Kristin L.
Cc: kirk hallam; Mandell, Floyd A.; Smith, Cathay Y. N.
Subject: RE: Paul Supnik Deposition

Kristin,

I plan to be at your office tomorrow at 9:00 am.

Regards,

Paul D. Supnik

copyright, trademark and entertainment law

Paul D. Supnik
Attorney at Law

9401 Wilshire Blvd., Suite 1250
Beverly Hills, CA 90212

tel: 310-859-0100
fax: 310-388-5645
mobile: 310-990-3650

paul@supnik.com
www.supnik.com

Add me to your address book... *Want a signature like this?*

From: Holland, Kristin L. [mailto:kristin.holland@kattenlaw.com]
Sent: Monday, April 18, 2011 8:31 AM
To: Paul Supnik
Cc: kirk hallam; Mandell, Floyd A.; Smith, Cathay Y. N.
Subject: FW: Paul Supnik Deposition

Paul,

I sent Kirk an email this morning reconfirming your deposition for tomorrow and received an auto-response that he is away and unable to read my email message. Please confirm that you will be appearing for deposition tomorrow, April 19, at 9 a.m. at my office. We have a court reporter and need to provide names to security.

Thank you,

Kristin

KRISTIN L. HOLLAND
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p / (310) 788-4647 f / (310) 712-8424
kristin.holland@kattenlaw.com / www.kattenlaw.com

From: Holland, Kristin L.
Sent: Monday, April 18, 2011 8:26 AM
To: 'kirk hallam'
Cc: Smith, Cathay Y. N.; Mandell, Floyd A.
Subject: Paul Supnik Deposition

Kirk,

This reconfirms that Mr. Supnik will be deposed in our offices tomorrow, April 19, starting at 9 a.m. I sent you an email on April 1 confirming this date, but don't see any response from you in my mailbox. Please confirm by response to this email that Mr. Supnik will be here tomorrow for deposition. We will begin at 9 am. Thank you,

Kristin Holland

KRISTIN L. HOLLAND
Partner
Katten Muchin Rosenman LLP
2029 Century Park East, Suite 2600 / Los Angeles, CA 90067-3012

p / (310) 788-4647 f / (310) 712-8424
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CIRCULAR 230 DISCLOSURE: Pursuant to Regulations Governing Practice Before the Internal Revenue Service, any tax advice contained herein is not intended or written to be used and cannot be used by a taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer.
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CONFIDENTIALITY NOTICE:
This electronic mail message and any attached files contain information intended for the exclusive use of the individual or entity to whom it is addressed and may contain information that is proprietary, privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any viewing, copying, disclosure or distribution of this information may be subject to legal restriction or sanction. Please notify the sender, by electronic mail or telephone, of any unintended recipients and delete the original message without making any copies.
==========
NOTIFICATION: Katten Muchin Rosenman LLP is an Illinois limited liability partnership that has elected to be governed by the Illinois Uniform Partnership Act (1997).
==========

EXHIBIT 2

Subj: **Re: Meet and Confer**
Date: 5/6/2011 5:48:23 P.M. Pacific Daylight Time
From: kmhallam@aol.com
To: kristin.holland@kattenlaw.com, cathay.smith@kattenlaw.com, floyd.mandell@kattenlaw.com
CC: Sjeichhorn@aol.com

Kristin,

I don't believe "your understanding" is correct regarding the Local Rules in Los Angeles somehow being applicable to motions to compel in a TTAB proceeding, and I would repeat my request for any authority you may have to support "your understanding" in that regard. I'm quite certain that the District Court would NOT agree that motions to resolve discovery disputes regarding depositions that have been taken in TTAB proceedings, and issues of attorney client or work product privilege, are to be resolved by ancillary proceedings in federal court, your unsupported understanding notwithstanding. The TTAB rules for discovery disputes simply provide no such authority or suggestion.

As I said, I am available for a telephonic meet and confer pursuant to the applicable TTAB rules and procedures on Monday afternoon or any other time next week that is mutually convenient to discuss our motion for a protective order and your motion to compel. If you are unwilling to participate in such a telephonic conference. With regard to your contention that it is "too late" for us to bring a motion for a protective order, I would simply point out that you and your client waived your right to retake those depositions when you confirmed our agreement that NO more depositions would be taken in this matter in your filings with the District Court and the TTAB, a fact which you are simply "too late" to deny to the District Court of the TTAB.

Again, I repeat my suggestion that we conduct the telephonic meeting of counsel that is called for in the applicable TTAB rules on Monday afternoon. If you continue to be uncooperative in that regard, I will contact the interlocutory attorney and schedule a compulsory meet and confer under his or her supervision.

Best Regards,
Kirk Hallam
Counsel for Roxbury Entertainment

-----Original Message-----
From: Holland, Kristin L. <kristin.holland@kattenlaw.com>
To: kirk hallam <kmhallam@aol.com>; Smith, Cathay Y. N. <cathay.smith@kattenlaw.com>; Mandell, Floyd A. <floyd.mandell@kattenlaw.com>
Cc: Sjeichhorn@aol.com <Sjeichhorn@aol.com>
Sent: Fri, May 6, 2011 5:08 pm
Subject: RE: Meet and Confer

Kirk,

You've received a response from us. Please see my email from earlier this week requesting a meet and confer which you reference below.

We properly noticed your deposition and that of Roxbury, and no one showed up for either even though you were available to do so as shortly as a week before based on your statements at Mr. Supnik's deposition. The time to seek a protective order with respect to these depositions has passed.

My reference to the Central District rules applies to Mr. Supnik's subpoena. Our understanding is that third party subpoenas are enforced through the District Court in which they are issued, not by the TTAB.

Please let us know when you are available to meet and confer next week.

The notices that you served this week for Penthouse and Mr. Sutter have been received and we will handle them in due course. They do not affect the meet and confer issues that are pending. As I stated in my earlier email to you, we are not willing to modify discovery until we can reach an agreement on the pending discovery deficiencies related to the depositions and document productions by Mr. Supnik, Roxbury (Cloudstreet) and you individually.

I look forward to meeting with you next week in my offices.

Thank you,

Kristin Holland

KRISTIN L. HOLLAND
Partner
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kristin.holland@kattenlaw.com / www.kattenlaw.com

From: kirk hallam [mailto:kmhallam@aol.com]
Sent: Friday, May 06, 2011 4:41 PM
To: Smith, Cathay Y. N.; Holland, Kristin L.; Mandell, Floyd A.
Cc: Sjeichhorn@aol.com
Subject: Fwd: Meet and Confer

Dear Cathay,

I have not as yet received your response to my email of 10 days ago (attached below) in which I requested for the second time a proposal from Petitioner to modify our existing agreement that no further discovery be taken in these proceedings. You and your co-counsel, Kristin Holland and Floyd Mandell, seem intent on proceeding with unlimited new discovery, notwithstanding the agreement we previously reached to the contrary which you confirmed both to the District Court and to the TTAB. Therefore, I will be compelled to bring a motion for a protective order pursuant to U.S. Trademark Rules of Practice 2.120(f), seeking to limit or preclude new discovery as was previously agreed, unless you come to the table prepared to discuss specific suggestions for resolving this on our own. I would request a time next week for this telephone conference, preferably as early as next Monday, May 9, 2011.

Although thus far you and your client have not been willing to provide me with Petitioner's proposal for scheduling limited new discovery in these proceedings, and thereby modifying our "no further discovery" agreement, I will be happy to provide you with Roxbury's proposal during our telephonic conference of counsel next week. Toward that end, I have, without waiver of our agreement for no further discovery, noticed the two depositions that Respondent/Registrant would like to take, namely the 30(b)(6) designee and Mr. Lawrence Sutton. I also offered to make myself available for a third day of deposition testimony yesterday, but having received no response to that proposal, I will leave the scheduling of that additional day of my testimony for discussion during our conference of counsel next week. As of right now, I am available next Thursday afternoon for the resumption of my deposition, limited of course to "new matters" which were not previously raised during the first two days of my deposition.

With respect to your co-counsel's threat to bring a motion to compel, this is an odd threat to say the least, given my repeated efforts over the past two weeks to get you to confer and cooperate in scheduling limited additional discovery in these proceedings, and in suggesting alternative days for my own deposition to be resumed. Nonetheless, I am looking forward to our telephonic conference next week and am hopefull that we will be able to resolve all of these discovery issues ourselves and avoid the necessity of TTAB intervention. As an aside, I really don't understand Ms. Holland's reference in her email earlier this week to the Local Rules for the Central District of California, as somehow determining the procedures for bringing a motion to compel, so perhaps one of the two of your can shed some light on that reference. This is of course a TTAB proceeding, not a District Court proceeding, and the applicable rules and procedures for a motion to compel clearly are set forth in U.S. Trademark Rules of Practice 2.120(e)(1), not the Local Rules in the Central District or anywhere else.

I look forward to receiving and discussing your proposal for limited additional discovery during or before our telephonic conference next week. As of now, I'm available for a telephone conference next Monday afternoon, so please let me know your and Ms. Holland's availability in that regard.

Very Truly Yours,
Kirk Hallam
Counsel for Roxbury Entertainment

-----Original Message-----
From: kirk hallam <kmhallam@aol.com>
To: cathay.smith@kattenlaw.com
Cc: floyd.mandell@kattenlaw.com; kristin.holland@kattenlaw.com
Sent: Tue, Apr 26, 2011 5:26 pm
Subject: Re: Meet and Confer

Dear Cathay,

Hmmm, so just what did you mean you said in Defendants' Response to Order to Show Cause that:

(D)iscovery should be closed in the TTAB cancellation proceeding, and the parties should be permitted to use all discovery obtained by them in this litigation, including documents, disclosures, and testimony, in the TTAB cancellation proceeding. Defendants believe that Plaintiff agrees to this position" ?

Were you misrepresenting to the District Court your belief that "Plaintiff agrees to this position"? Surely, neither you nor your esteemed co-counsel would have misrepresented to the Court that you believe Plaintiff agreed with your position that discovery should be closed if you had no factual basis for that belief, would you?

And when you said in Petitioner's Request to Reopen the Proceeding with the TTAB that "the discovery period should be closed in this Cancellation Proceeding" what were you really trying to say? That discovery should be closed for Roxbury, but you should be allowed to take depositions of any witnesses that you chose not to depose in the District Court proceeding? Or that you should be allowed to retake all those depositions you took in the District Court proceeding, without limitation?

Frankly, you and your co-counsel have flipflopped so dramatically on this issue that I truly do not understand WHAT you are asking for at this point. Nor do I understnad why you continue to refuse my repeated suggestion that you make a specific proposal for a modification of our "discovery is closed" agreement, to allow for very limited additional discovery by both sides. I continue to encourage your concrete suggestions for limited mutual discovery so that we may try to resolve this issue without the need for TTAB intervention. If you continue to refuse my suggestions for conciliation in this regard, and choose instead to file an unnecessary motion with the TTAB, please be kind enough to include this email and my previous emails on this subject in your papers.

Best Regards,
Kirk Hallam
counsel for Roxbury Entertainment

-----Original Message-----
From: Smith, Cathay Y. N. <cathay.smith@kattenlaw.com>
To: Kirk Hallam <kmhallam@aol.com>
Cc: Mandell, Floyd A. <floyd.mandell@kattenlaw.com>; Holland, Kristin L. <kristin.holland@kattenlaw.com>
Sent: Tue, Apr 26, 2011 3:52 pm
Subject: Meet and Confer

Dear Kirk:

We deny that there is an agreement between the parties for no further discovery in this cancellation proceeding. As we are sure you recall, in Defendants' Response to Order to Show Cause, Defendants *unilaterally* suggested that discovery should be closed in the TTAB proceeding, with the exception of certain depositions. However, the District Court refused to entertain Defendants' suggestion and, instead, suspended the federal case. In the TTAB, the interlocutory attorney specifically stated in his May 14, 2010 order that "[i]n view of the foregoing [order requiring Petitioner to amend its petition to cancel], the Board deferred any discussion regarding scheduling herein." The parties never entered into an "agreement" or "stipulation" for no further discovery in this cancellation proceeding.

Additionally, since the filing of Defendants' Response to Order to Show Case, Petitioner has been required to amend its petition to cancel, and the TTAB ordered a 6-month discovery period. Your client has also served initial disclosures in this proceeding identifying numerous individuals, such as Paul Supnik, James Rosin, David Garland, whom it identifies as having information to support your client's defenses. These individuals were never deposed in the federal case, and you cannot now prevent Petitioner from seeking discovery from these individuals that your client plans to rely on to support its claims and defenses.

During our Rule 26(f) call, we proposed to work with you in order to limit discovery to a limited number of depositions and written discovery on issues relevant to the petition to cancel, but you rejected such proposal. (Please see my December 8, 2010 e-mail to you summarizing the parties' Rule 26(f) call.) The only agreement that the parties reached was during our Rule 26(f) conference call, where the parties agreed that all discovery obtained in the District Court action may be used in the parties' cancellation proceeding, and both parties reserved any evidentiary objections that were made in the District Court action. On multiple occasions, I have sent you a draft stipulation in order to record this agreement in writing, but you have continued to ignore my e-mails.

Your conduct, including your failure to appear at properly noticed depositions, necessitates our moving for appropriate relief.

Sincerely,

Cathay

CATHAY Y. N. SMITH
Attorney
Katten Muchin Rosenman LLP
525 W. Monroe Street / Chicago, IL 60661-3693
p / (312) 902-5252 f / (312) 577-4506
cathay.smith@kattenlaw.com / www.kattenlaw.com

From: Kirk Hallam [mailto:kmhallam@aol.com]
Sent: Tuesday, April 26, 2011 12:19 PM
To: Mandell, Floyd A.
Cc: Holland, Kristin L.; Smith, Cathay Y. N.
Subject: Re: Penthouse cancellation petition

Floyd,

Obviously you are not denying and cannot deny that you made the agreement for no further discovery, or that you confirmed it in pleadings with both the Court and the TTAB. Is there some reason you feel entitled to renege on our agreement? How is that consistent with the rules or with your professional obligations?

I'm still waiting for Petitioner's proposal to modify our agreement and permit limited additional discovery by both parties. Are you refusing to confer? If I don't receive your proposal soon, I will not be able to hold any time available for deposition next week, as my litigation calendar is beginning to fill.

Regards
Kirk Hallam
Counsel for Registrant

Sent from my iPhone

On Apr 26, 2011, at 4:48 AM, "Mandell, Floyd A." <floyd.mandell@kattenlaw.com> wrote:

> Dear Kirk,
>
> We have made every effort to treat you with professional courtesy, and we have followed the rules of procedure in an effort to complete discovery in a timely manner. In response, you have done everything to twist the facts and increase our costs, while violating the rules and avoiding your professional obligations.
>
> If you fail to appear for properly noticed discovery, we will proceed as requires to seek relief. We stand by the e mail Cathay sent to you last Friday.
>
> Sincerely, Floyd
>
> **FLOYD A. MANDELL, P.C.**
> National Co-Chairman
> Intellectual Property Department
> **Katten Muchin Rosenman LLP**
> 525 W. Monroe Street
> Chicago, IL 60661-3693
> p / 312.902.5235
> f / 312.577.8982
> Bio | VCard | Email | www.kattenlaw.com

From: kirk hallam [mailto:kmhallam@aol.com]
Sent: Monday, April 25, 2011 5:10 PM
To: Smith, Cathay Y. N.
Cc: Sjeichhorn@aol.com; Mandell, Floyd A.; Holland, Kristin L.
Subject: Re: Penthouse cancellation petition

Dear Cathay,

Your purported recitation of the "facts" pertaining to our stipulation for no further discovery is as knowing frivolous as the amended allegations contained in your petition. I have repeatedly and consistently asserted the agreement of counsel that no further discovery would be taken in this proceeding, an agreement which you personally confirmed in Petitioner's Motion to Reopen the Cancellation Proceedings which you filed filed with the TTAB and personally signed on behalf of Petitioner on April 30, 2010. Your representation to the TTAB reconfirmed Petitioner's earlier representation regarding this agreement of counsel made to the District Court in a pleading that you, Ms. Holland and Mr. Mandell filed last year, i.e. "Defendants' Response to Order to Show Cause."

Your repeated and unexplained efforts to deny these clear representations which you and your co-counsel made in pleadings filed with both the District Court and the TTAB, and your noticing of various depostions in blatant disregard for our agreement, amounts to vexatious litigation and sanctionable conduct, and is consistent with your inclusion of frivolous allegations in your amended petition, allegations which you and your co-counsel know to be completely false, e.g. your allegation re fraud and the Date of First Use on DVDs.

Notwithstanding our clear agreement for no further discovery in these proceedings, and in an effort to be conciliatory, Roxbury allowed you to take the deposition of Mr. Supnik, notwithstanding my repeated and vociferous objections to further discovery, and without waiver of our stipulation to the contrary. Moreover, I have offered to make myself available for another day of deposition testimony, limited to the subject matters which were added to the amended petition (as Mr. Mandell suggested in a recent email.) As I said in my last email, however, Respondent will not allow Petitioner to completely reopen discovery in this proceeding, in direct contravention of our agreement that discovery is closed, and I will only make myself available for deposition pursuant to a comprehensive modification of our stipulation, one which limits Petitioner's additional discovery and permits Respondent to take

some limited discovery itself. I asked that you submit your proposal for modifying our "no more discovery" stipulation, and promised to respond promptly with our proposal for additional discovery, so that we could resolve this in time to schedule depositions for next week. I have not yet received your proposal in that regard, and I look forward to receiving it by tomorrow.

In the event that your or your co-counsel file a motion with the TTAB, instead of engaging in the exchange of proposals and conference of counsel which I have suggested to resolve this discovery dispute, please include a copy of this email, as well as my previous email, as attachments to your Motion.

Regards,
Kirk Hallam
Counsel for Roxbury Entertainment

-----Original Message-----
From: Smith, Cathay Y. N. <cathay.smith@kattenlaw.com>
To: kirk hallam <kmhallam@aol.com>
Cc: Sjeichhorn@aol.com <Sjeichhorn@aol.com>; Mandell, Floyd A. <floyd.mandell@kattenlaw.com>; Holland, Kristin L. <kristin.holland@kattenlaw.com>
Sent: Fri, Apr 22, 2011 4:28 pm
Subject: RE: Penthouse cancellation petition

Dear Kirk:

You have repeatedly referenced an alleged "no-more-discovery□▯ stipulation between the parties that purportedly prevents Petitioner from taking any additional discovery in this case. You have cited this alleged "stipulation□▯ on multiple occasions in order to improperly resist discovery in this case, including refusing to produce Mr. James Rosin (a witness identified in your initial disclosures), objecting to questions and the complete production of documents by Mr. Paul Supnik, and refusing to make a Rule 30 (b)(6) witness available from Registrant for deposition.

We have thoroughly reviewed our files and filings in the TTAB, and we have found no such "no-more-discovery□▯ stipulation between the parties. Furthermore, Floyd has asked you, on several occasions, to forward to him this alleged "stipulation,□▯ but you have never done so.

In the meantime, the parties are operating on a trial schedule set forth by the TTAB in this case, which provided for 6 months of discovery. Even though, as of the parties' Rule 26(f) conference in early December, you were aware that Petitioner intended to seek discovery in this case, at no point during this time did you raise your alleged "stipulation□▯ with the TTAB. Instead, you simply refuse to cooperate with Petitioner and its discovery efforts in this case, and have purposefully made discovery significantly more expensive and difficult.

On March 23, we noticed your deposition and the Rule 30(b)(6) deposition of Registrant. These depositions were scheduled to take place next Monday, April 25 and Tuesday, April 26. On Tuesday this week, you confirmed to me and Ms. Holland that you would appear for the noticed deposition on behalf of yourself and as Registrant's Rule 30(b)(6) representative. However, it was not until today, the Friday before the scheduled depositions, that you inform us that you refuse to appear for either of the noticed depositions because of the parties' alleged "no-more-discovery□▯ stipulation. This is unacceptable. You have already been sanctioned in the related District Court action for similar conduct, and we believe you are continuing to carry forward with your threat to multiply our expenses in this case. We expect you and a representative of Registrant to appear for the noticed deposition on Tuesday. If there is a non-appearance, we will have no alternative but to seek all remedies available in the TTAB against you and Registrant.

Thank you –

Cathay

CATHAY Y. N. SMITH
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From: kirk hallam [mailto:kmhallam@aol.com]
Sent: Friday, April 22, 201

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EXHIBIT 3

Subj: **Re: Penthouse v. Cloudstreet cancellation petition**
Date: 5/18/2011 4:50:42 P.M. Pacific Daylight Time
From: kmhallam@aol.com
To: kristin.holland@kattenlaw.com
CC: floyd.mandell@kattenlaw.com, cathay.smith@kattenlaw.com, Sjeichhorn@aol.com
Dear Kristin,

While you were away at the International Trademark Association conference in San Francisco, I had a chance to review your email below as well as the new Discovery Rules and Procedures in Chapter 400 of the TTMB Manual of Procedures 3d. ed., and I discovered that these rules demonstrate a fundamental flaw in your contention that you are entitled to retake my deposition individually or as the designee for the 30(b)(6) deposition which you referenced in your email below. Those Discovery Rules clearly and unmistakeably provide that you may not retake any deposition previously taken without either a stipulation from Respondent or leave of the TTAB: "When a person has already been deposed in the case, a party must seek leave of the Board to take a second deposition if the parties have not stipulated thereto." TMP 404.06(d) (n.1). And since you previously took my deposition both individually and as Roxbury's 30(b)(6) designee in the District Court proceeding, before this case was transferred back to the TTAB, and asked me voluminous questions pertaining to your cancellation claims, you are not allowed to retake these depositions without Respondent's stipulation or leave of the TTAB, and unless you are willing to accept the simple limitations I proposed for those retaken depositions, we will not so stipulate.

Should you decide to seek leave of the TTAB rather than to accept the very reasonable limitations I proposed, please be advised that we will oppose that Motion and will inform the TTAB both that you previously stipulated not to take ANY further discovery in this proceeding, and that you threatened to seek sanctions for my refusal to submit for yet another round of depositions, in clear violation of Rule 404.06(d) above. If you wish instead to comply with the Rule and seek my stipulation to retake these depositions, I will agree to make myself available for no more than 4 hours of questioning on matters which were NOT at issue in the original Petition to Cancel and on which you did not previously question me (a limitation consistent with one your co-counsel, Mr. Mandell, suggested in one of his previous emails on the subject of reopening discovery in contravention of our stipulation).

With regard to your informal "objections" to the FRCP 30(b)(6) notice which we served for this Friday, May 21, 2011, your objections are defective for a number of reasons. First, we were not required to give 30 days notice for the 30(b)(6) deposition but only "reasonable notice," and the more than two weeks notice we provided was both reasonable and consistent with the amount of notice you previously provided in noticing depositions. You are correct about the inadequate notice for the production of documents, and therefore I will not expect a document production to be made on Friday, but this has no bearing whatsoever on your clients obligation to appear for this 30(b)(6) deposition as noticed.

Second, your objection to the Central District of California location for this 30(b)(6) deposition is entirely without merit and does not excuse your client's failure to appear. As you know, the offices of Penthouse,of the President of Penthouse, and the primary place of business and location for virtually of of its pornographic film productions all are located here in the Central District of California. If you did not intend to designate any witnesses located here in Southern California for that 30(b)(6) deposition, then it was incumbent upon you to identify who and where those witnesses were, but you have failed and refused to do so, and we are entitled therefore to proceed with the depostion as noticed for my offices this Friday. Should your clients fail to appear for that deposition, we will make a record of their nonappearance and will seek the appropriate relief from the TTAB, including any appropriate sanctions for their failure to appear. And please note we have NOT previously taken a 30(b)(6) depostion in this case, as you previously pointed out to me, so the rule referenced above regarding retaking depositions does not excuse this failure to appear.

In sum, I am asking you to confirm that your 30(b)(6) witness or witnesses will appear for their properly noticed depositions) this Friday at our offices, and further that you let me know as soon as possible whether you accept the limitations on the depositions you would like to retakel, as I outlined to you in our meet and confer last week and summarized above, so that we can reduce this agreement to a written stipulation and schedule these limited depositions for a mutually convenient date in the next two weeks.

Very Truly Yours,
Kirk Hallam
Counsel for Registrant

-----Original Message-----
From: Holland, Kristin L. <kristin.holland@kattenlaw.com>
To: kirk hallam <kmhallam@aol.com>
Cc: Mandell, Floyd A. <floyd.mandell@kattenlaw.com>; Smith, Cathay Y. N. <cathay.smith@kattenlaw.com>; Sjeichhorn@aol.com <Sjeichhorn@aol.com>
Sent: Sun, May 15, 2011 12:05 pm
Subject: RE: Penthouse v. Cloudstreet cancellation petition

Dear Kirk,

You have never agreed to provide dates for the 30b6 designee of Registrant or for you personally. You said you would consider appearing on the 16th on various conditions, which I told you were unacceptable on May 10. You said you would summarize your conditions in a proposed stipulation, but I have not received a stipulation or written summary from you. So I will summarize some of them here to illustrate why you have not offered any meaningful dates for deposition.

Just some of the conditions you demanded include pre-limitations on the areas of questioning, agreeing to only one day for your deposition instead of two separate depositions as noticed, refusing to produce documents and claiming that you would refuse to answer any questions you felt had already been covered in discovery in the district court case even though you have still not signed the stipulation we proposed allowing that discovery to be used in this proceeding. You also demanded that we produce a witnesses or witnesses on May 20 in response to your defective 30b6 notice, which I discuss in detail below.

As I told you during our lengthy call on May 10, your proposal was not acceptable. You told me that unless we agreed to those conditions and more, you would not appear for deposition. I was surprised to get your email Friday ignoring our discussion and implying that you had agreed to appear. If you are now agreeing to appear for your deposition and produce a designee or designees for the deposition of Registrant, and produce documents, without conditions, please let me know on which dates you are available. Please produce the documents immediately. I am available to conduct the depositions on May 19 and 20.

Your offer to be deposed on Wednesday May 16 is probably a typo, and I will assume you mean Wednesday the 18th. I told on May 10 that the 18th would not work because I am traveling back to Los Angeles from San Francisco in the morning and arguing a summary judgment motion later in the day (in Central Civil West). Moreover, I assume that any deposition on that date would be subject to the same unacceptable conditions you referenced, which are unacceptable to us.

Regarding the 30b6 deposition of Petitioner noticed for May 20 in Los Angeles, I have already informed you that Registrant's 30b6 notice is defective in several respects. I did that during our May 10 call as a courtesy and so that you could cure the defects.

So that you have them in writing, let me reiterate what I told you on May 10.

First, the notice seeks documents on less than 30 days notice in violation of the FRCP and related TBMP rules.

Second, it notices the deposition of Petitioner in Los Angeles, even though the company is based in Boca Raton, FL and New York -- information you are on notice of from the petition itself.

Third, it seeks overbroad and non-specific categories of testimony which are so vague and all-encompassing that you apparently seek designees not only for this proceeding, but also to redepose every witness from the district court action as well. You also improperly seek designees on the declarations of Petitioner's outside counsel (in this and the district court case) without justification, obviously seeking the depositions of the outside lawyers themselves, solely for harassment.

We are preparing objections and will not be providing a witness or documents on May 20 pursuant to that notice. We reserve all rights with respect to the notice and hope that you will remedy the defects so that we can find a date, time and topics related to the cancellation petition, and which are not merely improper attempts to depose outside litigation counsel.

I have invited you to withdraw the defective notice and at least cure the obvious timing and location issues, but you have not done so. As drafted, it is not enforceable. If you serve a notice for New York or Florida, or if we agree to another location, and if you provide us 30 days notice in the event you want documents, we will provide responses to the document requests, make an appropriate document production, and produce a witness or witnesses. We will still have issues with the categories for the designee, especially if you don't amend them to exclude outside counsel or make them more specific, and will make necessary objections in writing and verbally as questions are asked, but you will be able to take a 30b6 deposition.

Thank you ,

Kristin Holland

KRISTIN L. HOLLAND
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From: kirk hallam [mailto:kmhallam@aol.com]
Sent: Friday, May 13, 2011 5:08 PM
To: Holland, Kristin L.; Mandell, Floyd A.; Smith, Cathay Y. N.; Sjeichhorn@aol.com
Subject: Penthouse v. Cloudstreet cancellation petition

Dear Kristin,

As I said during our meet and confer earlier this week, I was holding open until today the time for my deposition to be taken in your offices on Monday, May 16. I have not received the confirmation from you that you wish to take my deposition next Monday,nor have you sent me a notice of taking deposition for that date, and therefore I will not appear for that deposition on Monday.

I am, however, still available next Wednesday the 16th of May, for my deposition to be taken, so please confirm asap whether you wish to take my deposition on that day. Next Friday, May 20th, is of course the day I have scheduled and noticed for our offices the 30(b)(6) deposition of your client, so I will expect to see you then.

Best Regards,
KIrk Hallam
counsel for Roxbury Entertainment.